

SCR177/SR133

Testimony

THE TRUST *for* PUBLIC LAND

C O N S E R V I N G L A N D F O R P E O P L E

**THE TRUST FOR PUBLIC LAND'S TESTIMONY
IN SUPPORT OF SCR177/SR133 URGING THE STATE TO PURCHASE
AGRICULTURAL LAND FROM DOLE FOOD COMPANY, INC.**

Senate Committees on Agriculture and Water & Land
Thursday, March 28, 2013, 3:05 PM, Room 229

The Trust for Public Land strongly supports SCR 177 and SR 133 urging the State to Purchase Agricultural Land from Dole Food Company, Inc. (Dole), assuming such a sale is voluntary and not compelled. The State's purchase of over 20,000 acres of agricultural land from Dole will increase Hawai'i's food security, and jump-start existing efforts to provide farmers with greater access to land.

The Trust for Public Land is a national non-profit land conservation organization which has been doing business in Hawai'i since 1979. The Trust for Public Land's mission is conserve land for people. It has quietly conserved over 42,000 acres of land in Hawai'i in partnership with public agencies and non-profits. In Hawai'i, one of the Trust for Public Land's strategic goals is to conserve working lands that improve Hawai'i's self-sufficiency in food, energy, and water.

Numerous studies have identified access to land as a major barrier to increased food security and farming in Hawai'i. Farmers are unable to buy agricultural land in Hawai'i at true agricultural values because it is so expensive, carrying with it a speculative residential development value -- i.e., the possibility that the owners could change the land use classification and zoning from agriculture to urban, or subdivide the agricultural land into smaller residential "gentlemen's estates" where often, little or no real farming occurs.

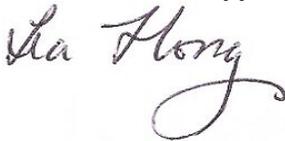
Farmers are also unable to obtain long-term leases that would allow them to secure loans to invest in their business or purchase equipment. Large landowners generally do not provide long-term leases to farmers. Most large landowners prefer to keep their agricultural tenants on short-term leases so that they can terminate the leases on short notice if they choose to sell the land or develop it. As a result, farmers have no incentive to invest in their business and cannot obtain financing to do so since their leases and farming operations could be terminated with only 30-90 days of notice.

The Trust for Public Land has been attempting to overcome this barrier – access to farm land -- in two ways: (1) assisting agencies and non-profits in buying agricultural land, and (2) placing permanent agricultural conservation easements on agricultural land that restrict the land to agricultural uses in perpetuity. For example, in December 2012, the Trust for Public Land purchased over 1,700 acres of agricultural land known as the Galbraith Estate, located in Central O'ahu, and transferred over 1,200 acres to the State of Hawai'i Agribusiness Development Corporation (ADC), and over 500 acres to the

Office of Hawaiian Affairs. The land is restricted to agricultural uses and both agencies aim to provide long-term leases to farmers. The Trust for Public Land is also currently assisting ADC in raising money for and purchasing 456-acres of agricultural land and agricultural processing facilities owned by Dole Food Company, Inc. in Whitmore Village located near the Galbraith Estate. In two separate transactions, we assisted MA‘O Organic Farm in Wai‘anae in purchasing 19 acres of farm land. We are also (in partnership with the North Shore Community Land Trust) currently working with the owners of the Turtle Bay Resort to purchase an agricultural conservation easement over 469 acres of agricultural land located across Kamehameha Highway (mauka) from the Resort.

Although the Trust for Public Land is able to accomplish a great deal with limited staff (two project staff in HI, one of whom is dedicated to native lands projects), and with existing funding sources like the Legacy Land Conservation Program, progress is very slow and the barrier of access to farm land remains high. If the State were able to tap general obligation bonds to purchase large agricultural land holdings like the Dole lands in voluntary transactions and provide farmers with long-term leases of that land, substantial progress could be made in increasing Hawai‘i’s food security.

Mahalo for this opportunity to testify -

A handwritten signature in cursive script that reads "Lea Hong". The signature is written in black ink and is positioned above the typed name and contact information.

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Draft 3/26/13

Testimony by Dan Nellis
Operations Director, Dole Food Company Hawai'i
March 27, 2013

**SENATE COMMITTEES
ON
AGRICULTURE
AND
WATER AND LAND**

March 28, 2013
3:05 pm
Room 229

SUPPORT OF

SCR 177/ SR 133
URGING THE STATE TO PURCHASE
AGRICULTURAL LAND
FROM DOLE FOOD COMPANY, INC.

Chair Nishihara, Vice Chair Kouchi; Chair Solomon, and Vice Chair Shimabukuro; and Members of both Senate Committees on Agriculture and Water and Land:

I am Dan Nellis, Operations Director of Dole Food Company Hawai'i. We support SCR177 and SR 133 to initiate earnest discussions about the purchase of certain excess lands owned by Dole Food Company in the Central O'ahu and North Shore regions of O'ahu. Ownership of these lands could facilitate the State's mandate to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency, and assure the availability of agriculturally suitable lands; and to protect lands that are suitable for conservation or preservation.

Dole Food Company has a long history of agriculture in Hawai'i and our intent is to continue to support and promote diversified agriculture in Hawai'i. Our plan is to continue cultivation of existing pineapple, coffee, and cacao crops and the operation of ancillary agricultural facilities.

However, we also have a large inventory of excess acreage that has been fallow for some time. Various acreages are currently for sale on a parcel by parcel basis; and at varying prices per parcels. We are willing to further discuss the State's interest in purchasing the excess acreage to support the State's mandate of promoting diversified agriculture.

Identification of parcels, easements, encumbrances, conditions and sale prices per parcel or by bulk sales are specific details that need to be identified in order to move forward with any binding land transaction agreement with the State. We also need to clearly understand the State's expectation and it's process of acquiring private lands.

Mahalo for your consideration of my testimony. If you have any questions, please feel free to contact me.

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